

Water and Sanitation Budgets Analysis

District Mardan

(Khyber Pakhtunkhwa Province, Pakistan)

Financial Years 2011-2012 and 2012-2013

Centre for Governance and Public Accountability (CGPA)
December 2013

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Methodology

The budget analysis team at Centre for Governance and Public Accountability (CGPA) adhered to the following methodology for obtaining, analyzing and presenting the forthcoming budget analysis for District Mardan.

1. Accessing Budget Books:

The provincial budget books were collected conveniently by approaching the provincial Finance and Planning and Development Department. Two separate meetings held with Director Finance and Director Planning at Development at Civil Secretariat and P&D. Moreover key facts and figures were taken from the online copies of summaries available including budget white papers. The team desk reviewed consolidated budget books as well as Annual Development Plans, to capture maximum information regarding the allocations made.

To obtain the district and TMA budget copies, the team visited the Tehsil Municipal Administrations at Mardan and Takth Bhai in July 2013. In the first visit the officials demanded for authorization to receive information from the district administration. The team in its second visit managed to get support from the district administration and the budget books were collected from TMA Mardan and TMA Takth Bhai, for fiscal year 2011-12 and 2012-13.

2. Scope of Work

2.1. Purpose of the Analysis

This analysis is being done to facilitate Integrated Regional Support Program (IRSP-'the client') to understand and carry out budget advocacy for the Water and Sanitation Sector in the district. Moreover the findings will be useful for larger civil society to do advocacy and campaigning for best use of taxpayer's money through proper allocation and spending. This will promote transparency, accountability and better services delivery in the district and tehsil municipalities.

2.2. Focus Sector

The primary focus of this study was to analyze the water & sanitation budget allocation, actual spending, budget lapses and their reasons. However to get a clear picture and determine the share of budgets under major heads in general and Water and Sanitation in particular, the team has analyzed the overall budget at district level, at TMA level and then for Water and Sanitation. Within the Water & Sanitation sector, this analysis covers water sources & distribution and drainage infrastructure development. This study covers the current and developmental allocation and expenditure for Provincial allocation to district in general and to Water and Sanitation in particular, District Municipal Authority, Tehsil Municipal Administration and Tehsil Infrastructure Office.

3. Demystification of the budget books

One of the secondary purposes of this analysis is to make the budget books and various terminologies used in it simple and understandable, so as public and civil society institution may use it for informed advocacy and follow up with the government service delivery agencies.

4. Other Considerations

The analysis also takes into consideration the budget making process and public and their representation participation in the budget allocation and spending. For the purpose the district and tehsil budget committee members have been consulted as well.

5. Budget Making Process

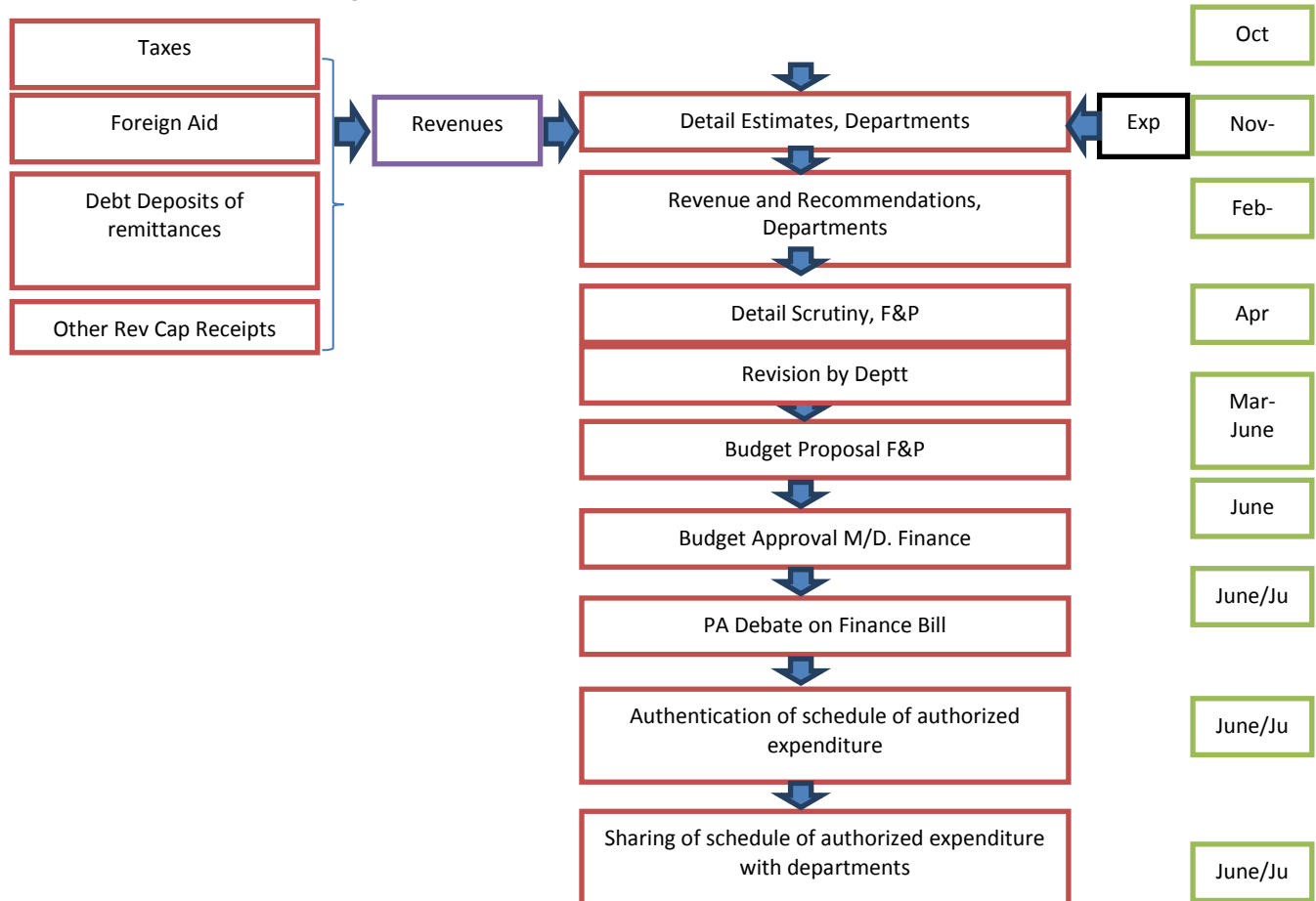
5.1. Budget Making Process at Provincial Level

Khyber Pakthunkhwa uses historical budgeting method, which is commonly known as incremental budgeting as well. Historical method of budgeting is not necessarily based on needs and causes ill planning. The incremental budget is prepared by the relevant ministries for each department using historical data of previous budgets and provision of revenues. In this method, Recurrent Budget for each year represents the sum of previous years allocations, any appropriation and adjustment of inflation adjustment.

- a) The Khyber PakhtunKhawah Government however has recently introduced reforms to the budget making processing called 'Provincial Reforms Program (PRP) to improve the service delivery and governance of the Province.

Under the Health Sector Reform Unit, the provincial health department had already started working on output based budgeting for its public private health services management initiative. An integrated PC-1 based on output based budget has also been introduced under the health sector reform. Other departments in the province are following the way as well.

The provincial budget is prepared based on revenue and expenditure estimates. The revenue sources are taxes, foreign aid, debt deposits of remittances and other revenue capital receipts. Every year in the month of between October and February, all respective departments prepare their detail estimates of revenue and expenditure. The department gives their proposal on revenue and expenditure recommendations which are

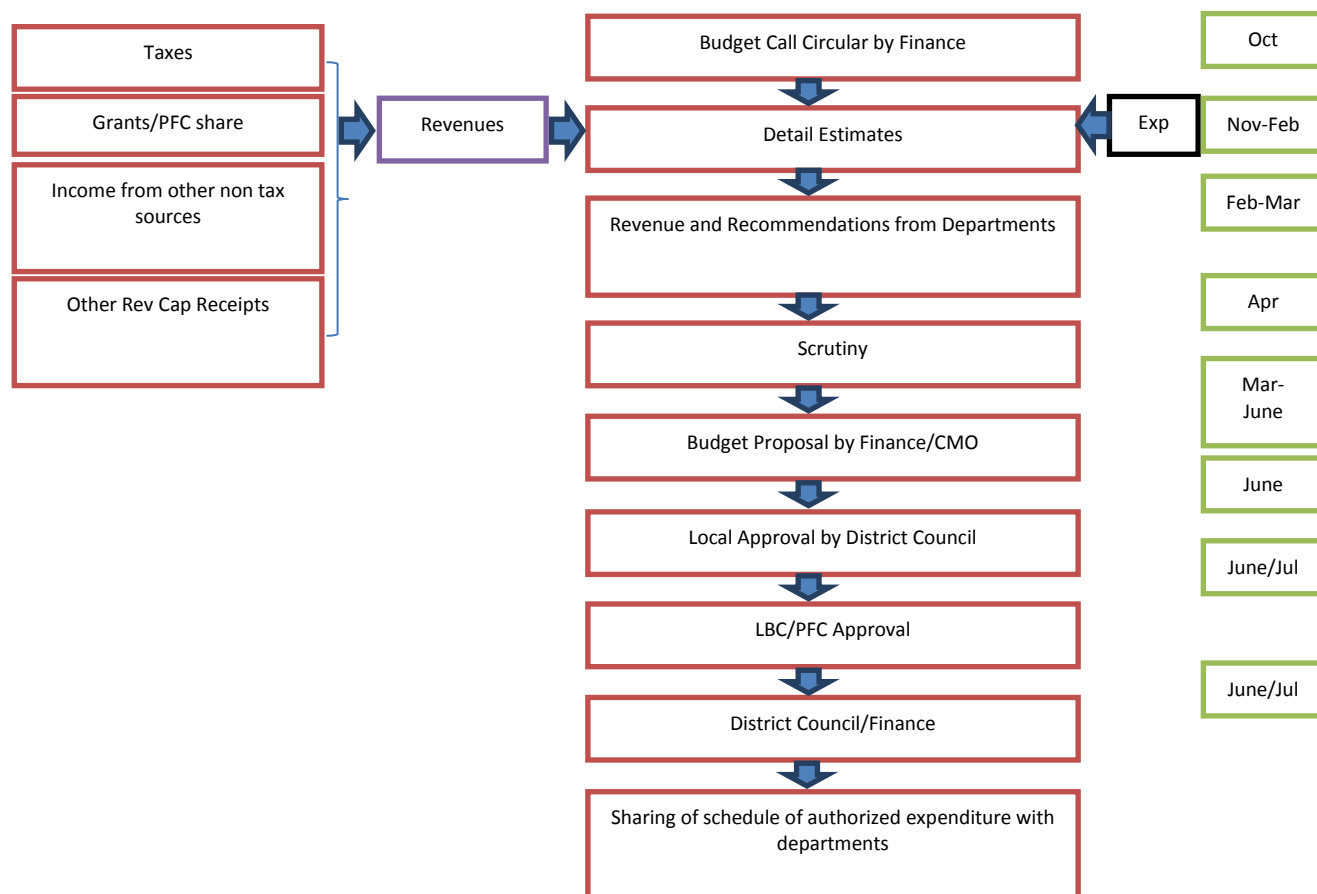


then forwarded to provincial Finance and Planning Department in the month of April. In April & May the Provincial Finance and Planning Department does a detail scrutiny of the estimates and return it to the

respective department with suggestions/recommendations for revision. The department revise (if required) the estimates and send the revised budget proposal to Finance & Planning in the month of May. In June, the Finance and Planning finalizes the budget proposal and send it to Ministry of Finance. The approved budget in shape of finance bill is debated and approved by the provincial assembly in June. The provincial assembly authenticates and authorizes schedule of expenditure which are the shared back with the concerned departments in July.

5.2. Budget Making Process at District Level

Though the budget making process and timeline at district and provincial level is almost the same, it however varies to the level of authorities and offices involved at respective level. The difference is that the district budget once approved by the district Finance Department or District Council goes to the Local Board and or Provincial Finance Commission. The same once approved return to the district Finance Department of District Councils for authentication of schedule of authorized expenditure. Authorized schedule of expenditure once authenticated are sent back to the department for implementation.



To get a deeper insight into the budget making process at Municipal Councils at district and Tensile level, CGPA budget analysis team visited officials at Tehsil Municipal Councils (former TMAs) Takth Bhai and Mardan Tehsil. At both the Tehsil Municipal Corporation, we met the Tehsil Municipal Administrator and Accounts Officers. The Tehsil Municipal Administration appraised us with the following key revision in the process.

- There exists no pre-formed budget committee at district or Tehsil level after the new Local Government Systems 2011.
- Currently TMAs budget are prepared by the Accounts Officer in consultation with the various offices directly related to the TMA budget, the TMO receive such allocation and expenditure estimates from the Account Officers which is then submitted to the Secretary Local Boards for approval.
- Budget Assumptions are made on two basis, previous year allocation and new addition in or within specific budget lines.
- Unforeseen expenditure budgeting to be included in the next budget.

5.3. Citizen Participation in the Budget Making Process:

In the desk review held yielded evidence of pre-budget seminar held before 2012-13 budgets (<http://www.brecorder.com/business-a-economy/189:pakistan/1191067>). The team was told by the officials from finance department that in 2012 they had a pre-budget seminar. This seminar was followed by Budget Jirgas by then Minister Finance's, convened with members of provincial assembly (<http://tribune.com.pk/story/364151/budget-2013-khyber-pakhtunkhwa-govt-seeks-popular-opinion-in-pre-budget-jirgas/>)

This however was told by the staff at Provincial Finance Department that even the pre-budget seminar do not have any significant impact on the budget proposal, as the process would have already been completed and there left no time to bring or add changes to the estimates.

At district level, the team could not trace any evidence of citizen participation in budget making process, except the dictation that is received from the National and Provincial Assembly Members in the ADP Schemes, which is a provincial matter. At district level the budget proposal are prepared by the Finance & Planning Department on the basis of estimates received from the district departments. At district department there exists no particular budget committee that proposes schemes. It's merely the discretion of the head of department to assign the role to somebody and prioritize schemes for estimates. This process however is mostly influenced by the political leadership in case of developmental budget where the member of provincial and national assembly directs such allocation and expenses.

5.4. Access to Financial Information:

The research team faced enormous challenges for accessing financial information. There existed no mechanism or instructions for providing such information to the citizen. The government official at respective department treats budget books as sacred document and do not provide them conveniently. Despite of a formal request filed by the CGPA Research Team, the provincial and district Finance and Planning Department, and Municipal Committees regretted to provide budget books and the team had to use personal reference to get those public documents. This situation however is expected to improve after the enactment of Khyber Pakhtunkhwa Right to Information Act 2013. Under this law, the provincial government had announced Public Information Officers in all departments to facilitate the process. A Public Information Commission has also been established to entertain complaint regarding denial of the right to information and has been authorize to penalize the government officials who decline public information request, other than exempted list. The process of getting information under the law is very simple and the vessel blowers have been given protection as well.

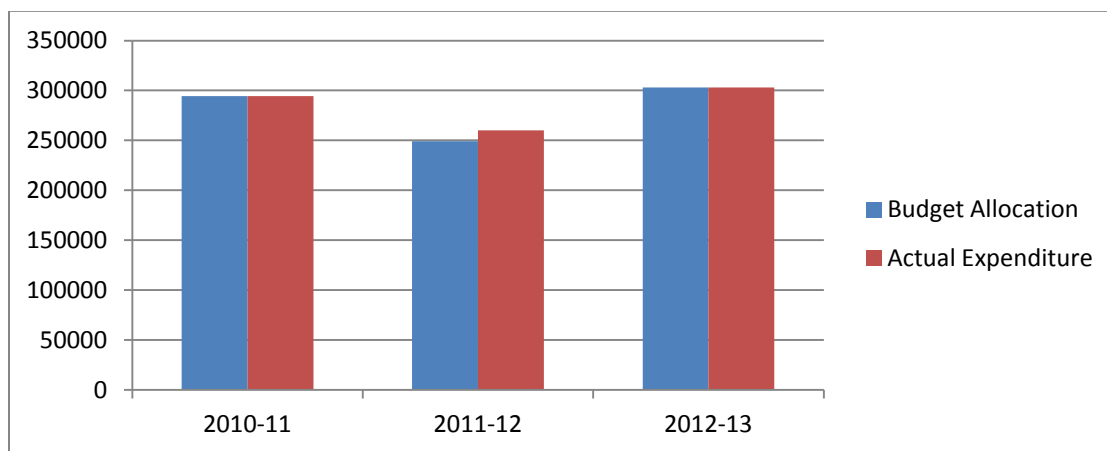
6. Provincial Budget Analysis:

The World Bank in its report (*Public Expenditure Review, 2012*) has noticed a visible improvement in the provincial financial performance during the period 2010-2012, with an increase in percent of GDP of 7-8 to 8.7% in 2009-10 and 11.3% in the fiscal year 2010-11. The Khyber Pakhtunkhwa government introduced comprehensive fiscal reforms program in 2001-02, aiming at 1) enhancing resources, strengthening provincial financial management reforms, fiscal decentralization, and adopting output based budgeting. The report reveals an increase of 2% in the provincial developmental budget (22%) as compared to twenty (20) percent in 2008 and 2009.

The provincial budget in 2011-12 presents an increasing trend. The Provincial Revenue Receipts increased by 8.3% from the previous fiscal year, from Rs. 8737.589 million in 2010-11 to Rs. 9464.095 in the fiscal year 2011-12. The allocation for current expenditure in 2011-12 remained 64% and Development Expenditure estimated

to 36% of the total allocation. These amounts however show an increase of 16% against the previous year i.e. 2010-11, in total. Major increase was due to rise in salaries. The actual expenditure against the 2011-12 allocation was 260, 142 million, indicating a 2% over spending which was adjusted in the revised estimates in the same year.

Figure 1: Provincial Budget Allocation and Expenditure Over Time (2010-2013)



In 2012-13 the provincial budget allocation increased to 303,000 million over the 249,151 million in 2011-12, representing an increase of 9.75 percent. The actual expenditure against this allocation remained the same year.

6.1. Comparison of Water and Sanitation Budget Allocation with Health and Education

Public Health Engineering Department received Rs. 197.614 million in 2010 against the budget estimates of Rs. 17.630 in the previous year. The allocation for this head in 2013 went up by 24.30% to 167.03 against the allocation of Rs. 134.381 in 2011-12. This sum was allocated for the construction and maintenance of Rural Drinking Water Supply and Sanitation Schemes including Sewage Treatment Plants and Solid Waste Management. 5.357 million PKR, which was revised to 4.328 million PKR. However, the estimates for FY 2012-2013 were given as 6.302 million PKR, which is 1.974 million PKR more than the revised budget and about a million PKR more than the estimates of FY2011-2012. The increase can mostly be seen in employee related expenses, following the trend of budget allocation that sees most budgets allocated for employee related expenses.

The allocation for education in provincial budget in 2010-11 is 513.254 million. The actual expenditure shown as revised estimates in the same year was Rs. 410 million. While in 2011-12 allocation for education was Rs.545.203 million with a gain of 3% against the previous year 2010-11 allocations of Rs.33139 million. For districts education it was 33, 13 9.311 million in 2010-11, which present an increase of 31.98% over Budget Estimates of 2009-10. In FY 2011-12 the anticipated budget for district level Elementary and Secondary Education sector was set as Rs. 38,820.930 million, revealing an increase of 7%. The provincial budget allocation for education in 2012-12 rose to Rs. 681.07 million with an increase of 24.92% over 2011-12 budget.

In 2010-11 estimates, allocation for Health department was Rs. 5940.685 million, showing a hefty increase of 47.603 million over the 2009-10 estimates. Budget allocation for Health Department in 2011-12 increased by further 31.92% from Rs: 5,940.685 million to Rs. 7,837.251 million. Allocation in 2012-13 went up by 31.81% and touched Rs. 10,330.37 million.

6.2. Annual Development Program (Fiscal Years 2011-12 to 2012-13)

In the 2010-11 Annual Development Plan sized Rs. 69284 million in total. Out of this total allocation Rs: 2391.170 million were allocated to Drinking Water and Sanitation for 28 schemes, out of which 18 schemes are ongoing and 10 are new. The comparison of allocation for Drinking Water with social services i.e. Health and Education reveals that Water and Sanitation got only 3.45% of the total ADP, Education (Elementary and Higher) 15.8% and health 10.6%. Health sector has got the largest number of schemes and amount of allocation with 130 schemes and 6571.245 million rupees. Despite of almost 50 lesser schemes in education, the sector took the largest sum of allocation of PKRs: 10134.996 million rupees. Water and Sanitation was awarded the lowest among the three amounting PKR: 2392.170 million for 28 schemes. This way the average allocation per scheme for each sector was 85, 110 and 51 for Water & Sanitation, Education and Health respectively.

Similar pattern continued in the 2011-12 ADP whereby Drinking Water and Sanitation received 3.4% allocation Education 15.6% and health 9.2% of the total ADP sized Rs. 85141 million.

In 2012-13 the share of Drinking Water and Sanitation however increased by 1% from 3.4 in 2011-12 to 4.4% of the total. Allocation for Education (Elementary and Higher) enhanced by 7% to 22.7% against the 15.6% in 2011-12. Allocation for health was also raised in FY 2012-13 to 10.2% against the 9.2% in the previous financial year.

Table1: Annual Development Program: Comparative Allocations for Water and Sanitation, Education and Health Sectors

Sector	Total		Percent of the total ADP allocation
	No	Allocation	
Water and Sanitation	28	2392.170	3.45%
Education	92	10134.996	14.62%
Health	130	6571.245	9.48%

7. District Budget Analysis Mardan

7.1. Budget of Tehsil Municipal Committee (TMC) Mardan

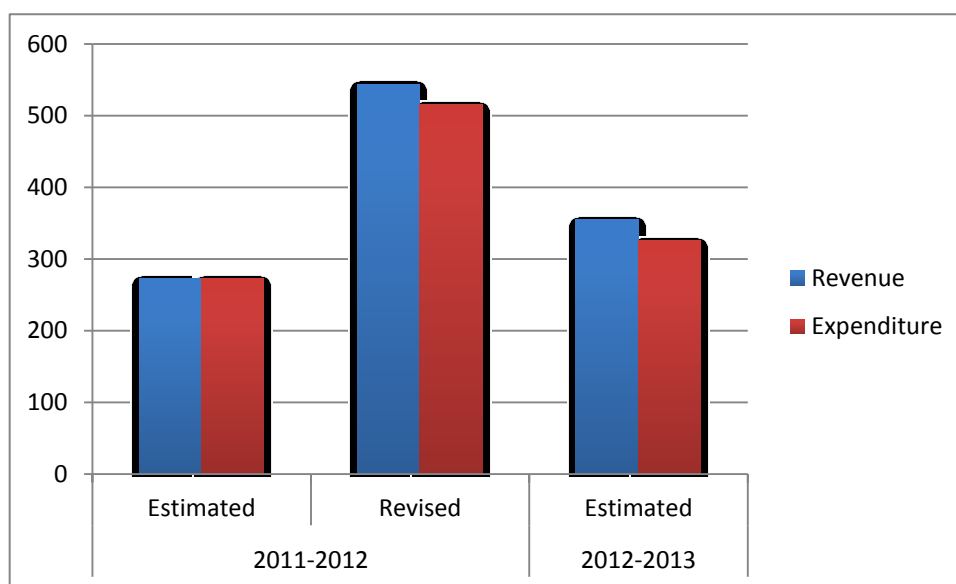
The budget for fiscal year 2011-2012 opened at 18.146 million. The expected revenue for the same fiscal year was set at 253.945, so a total of 272.091 million in expected revenue was at the disposal of TMA Mardan. The expected expenditure for the fiscal year was set at 272.086 million, closing the balance at +0.005 million. The revised budget, however, showed an increase in the revenue generated and the spending of the TMA. The actual revenue generated by Mardan was 543.927 million while the expenditure was 515.748 million, leaving +28.178 million unspent. For fiscal year 2012-2013, the expected revenue is set at 326.200 while the expenditure is projected to be 326.170 with +28.199 expected to be left unspent.

Table 2: Budget of TMC Mardan at a Glance (in PKR-Million)

Description	2011-2012		2012-2013
	Estimated	Revised	Estimated
Opening Balance	18.146	18.145761	28.178023
Receipts	253.945	525.779862	326.200183
Total	272.091	543.925623	354.378206
Disbursement	272.085929	515.7476	326.179598
Closing Balance	0.005	28.178023	28.198609

The total estimated revenue of TMA Mardan in fiscal year 2011-2012 was 272.098 million; however the actual expenditure calculated at the end of the fiscal year was 543.925 million. The budget for the following fiscal year 2012-2013 was estimated at 354.378.

Figure 2: Total Revenue & Expenditure of TMA Mardan (In PKR-Million)



The actual revenue generated in FY2011-12 was 271.834 million more than the estimate. The estimate of the following FY 2012-2013 at 354.378 million while 82.287 million more than last fiscal year estimate was still projected to be 189.547 million less than the actual revenue of the last fiscal year.

7.2. Revenue Budget Analysis of TMC Mardan:

The total estimated budget available to TMA Mardan in the fiscal year 2011-2012 was 272.091 million 96.859 million received in grants is the main contribution to the budget followed by 87.746 million received through

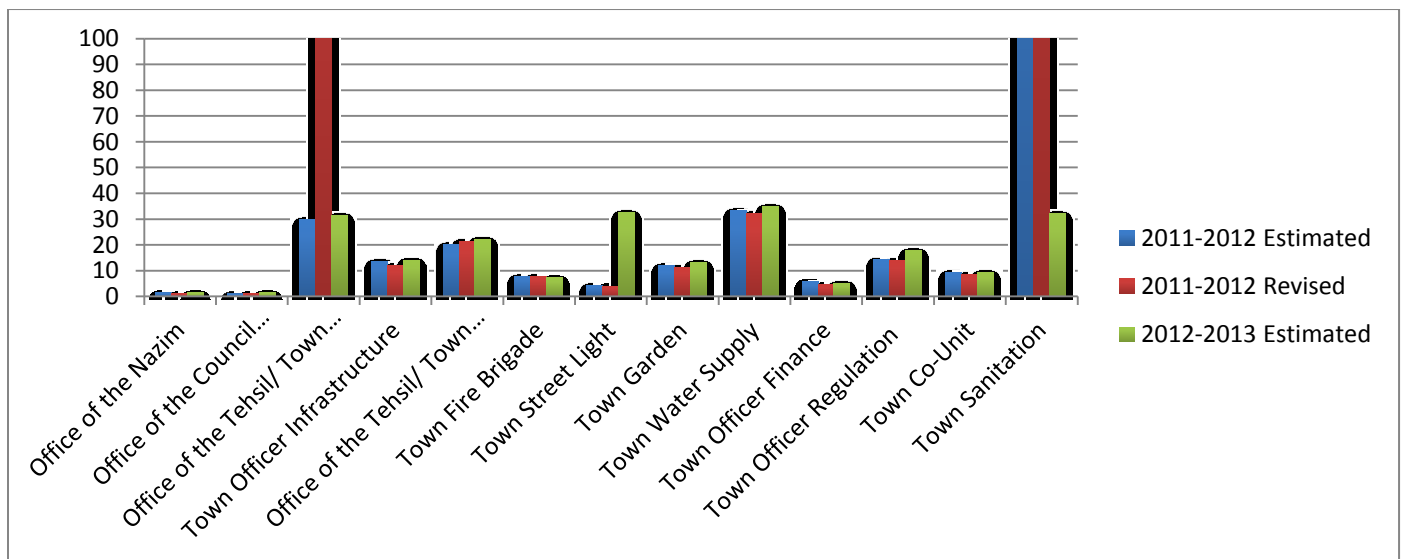
other non-tax sources the details of which are given in Table 4. Income through taxation at 69.3 million is the third biggest source of income for the district. Capital receipts, however, only contribute 0.04 million to the budget. In the revised budget of FY2011-12, however, the revenue actually generated through grants show a sizable increase at 334.087 million- about three times as much as the estimated amount. Income actually generated from tax and capital receipts at 71.418 million and 0.021 million respectively also contribute more than what was estimated.

In the estimated budget of 2012-2013, capital receipts show a sizable increase in the revenue at 37.02 million. But at 106.545 million, money received in grants is still expected to be the most significant contributor followed by income through other non-tax sources (102.232183 million). Income through tax at 80.402 is also expected to increase in FY 2012-2013. The details of the sources of revenue for District Mardan are given bellow:

7.3. Main Heads of Expenditure of Tehsil Municipal Committee Mardan:

The estimated expenditure for TMA Mardan for FY2011-2012 was 272.085 million while the revised expenditure for the same year was 515.747 million. But as previously stated, the more than expected expenditure was met by an increase in actual revenue. In fiscal year 2011-12, Town Sanitation Department in both the estimated and the actual budget take the lion's share of 272.086 million and 515.748 million respectively. This, perhaps, signifies the importance of the sanitation department in district Mardan. In the estimated budget of FY2012-2013, however, the share of the sanitation budget has been significantly decreased to 32.179 million. In the estimated budget of 2011-2012, the second biggest share of 33.207 million PKR goes to water supply. This, however, is offset in the actual budget of same fiscal year in which 284.255 million are spent on the Office of the Tehsil. It should be noted here that the allocated amount in the estimated budget for the Office of the Tehsil was only 29.863 million PKR. But in the estimated budget of FY2012-2013, this amount is cut back to 31.263 million PKR. In the estimated budget of FY2012-2013, water supply remains the second biggest head of expenditure for the district of Mardan. Office of the Tehsil/Town Officer Infrastructure with a share of 20.197 million PKR in the estimated budget of FY 2011-2012, 21.493 million PKR in the revised budget of the same financial year and 22.217 million PKR in the budget estimate of 2012-2013 also remains one of the principle heads of expenditure of the revenue.

Figure 3: Expenditure TMC Mardan



7.4. Budget Analysis of Water Supply of TMA Mardan:

The Water Supply budget of TMA Mardan constitutes two major categories of expenses. The employee related expenses and the expenses that are needed for the operation of the department. The major expense in the former is of the basic salaries of the staff which has been estimated at 11.377 million PKR in the budget of FY 2011-12 but which has been revised to 10.44 million in the actual budget. The estimated expense on pays of the staff in FY2012-2013 is given as 11.283 million PKR. A lot of heads of expenditure that were given estimated allocation of funds in the estimated budget of FY2011-2012 are withdrawn in the revised budget of FY2011-2012 and in the estimated budget of 2012-2012. These include allowances for house rent, conveyance, medical, ad hoc and ad hoc relief allowances. Expense on medical charges stood at 0.03 million in the estimated budget of 2011-2012, 0.165 million PKR in the revised budget of 2011-2012 and 0.03 in the estimated budget of 2012-2013. Unspecified, "Other Allowance" that did not get any expenditure stated in the budget estimate of 2011-2012 receive 7.977 million in the revised budget of the same year while in the estimated budget of FY2012-2013, this allocation goes further up to 11.486 million PKR.

Operational expenses of the Water Supply Department amount to 13.228 million in the estimated budget of FY 2011-2012. This amount is revised to 13.7996 million PKR in the actual budget of the same financial year. The budget estimate of 2012-2013 allocates 12.036 million PKR to operational expenses of water supply to TMA Mardan. The major share of this is spent on electricity, with 10 million estimated in the budget 2011-2012 with the revised budget coming to 10.7 million PKR. In the 2012-2013 budget estimates, the allocated budget is brought down by 1.7 million to 9 million PKR. In other utilities, the estimate for heating and cooling charges for the FY 2011-2012 is given as 0.08 million which is revised to 0.001 in the consequent actual budget. The estimate for 2012-2013 is given as 0.1 million PKR. Other major heads of expenditure related to operations of water supply include Pension Contribution with 2.769 million PKR allocated in the estimated budget of 2011-2012, which is increased to 3.018 in the revised budget of 2011-2012. In the budget estimate of 2012-2013, 2.589 PKR is allocated to the same head.

7.5. Budget Analysis of Sanitation Tehsil Municipal Administration Mardan:

272.086 million PKR were allocated for sanitation of TMA Mardan in the estimated budget of 2011-2012, which was brought up even further in the actual budget of TMA Mardan of FY 2011-2013 making it the most significant recipient of the TMA's budget. But in the estimated budget of FY2012-2013 the share is brought down significantly to only 32.179 million PKR. In employee related expenses, a major part of the budget is spent on pays of the staff. 55.237 million PKR were allocated for this purpose in the estimated budget of 2011-2012 but the amount actually spent on salaries of the staff working in the sanitation department was 52.789 million. In the estimated budget of 2012-2013, 56.067 million PKR are allocated for sanitation. Unspecified, "Other Allowances" again take the second biggest share of the budget with 41.718 million allocated in the budget estimate of FY2011-2012, which was only brought up in the revised budget of the same year at 43.22 million PKR. In the budget estimate of FY 2012-2013, the amount allocated for Other Allowances is brought even further up to 62.995 million, bringing its share to even more than the pays of employees working in the department. In the budget, share for different subheads such as different kinds of medical, house and washing allowances while allocated in the budget estimate of 2011-2012, is brought further in neither the revised budget nor the budget estimate for FY 2012-2013. Please see table 8 for further details.

Operational Expenses of TMA Mardan estimated at 13.417 million PKR for the FY 2011-2012 and to the actual expenditure was Rs. 13.0152 million it however got a much smaller share of the budget. In the estimated budget of 2012-2013, the total amount estimated to be allocated to operations of town sanitation is given as 15.688 million. Pension Contribution gets the most of the operational budget at 8.122 million PKR in the estimated budget of FY 2011-2012, 8.55 in the revised budget of the same year and 7.773 million PKR in the estimated budget of 2012-2013. Fuel for motor vehicles used by the sanitation department share 2.3 million PKR in the estimated budget of FY 2011-2012, 4.159 million in the revised budget and 4 million in the

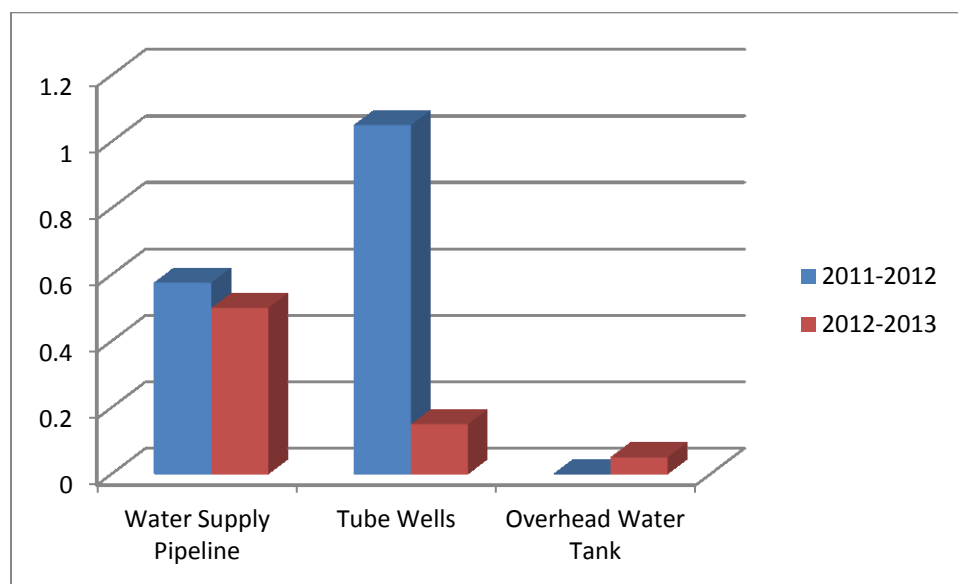
estimated budget of FY 2012-2013. Other Extra Duty Award get 0.2 million in the budget estimate of 2011-2013 with the revised share being 0.16 million PKR. The estimated share of Other Extra Duty Award for the year 2012-2013 is 0.5 million PKR. C.P. funds get allocated 2.755 million in the budget estimate of 2011-2012 and 2.915 million PKR in the budget estimate of 2012-2013, however no money is actually spent in the revised budget of FY2011-2012.

7.6. Developmental Budget Analysis for Water and Sanitation of Tehsil Municipal Committee Mardan:

According to the budget book of TMA Mardan for the year 2012-2013, the total estimated developmental budget available for the infrastructure of Mardan for the FY 2011-2012 was 20.197 million PKR while in the revised budget for the same year, 21.493 million PKR were actually spent in Mardan. In the FY 2012-2013, it is estimated that 22.217 million PKR will be available to Mardan in grants for developmental expenditure. The allocation for Water had decreased in 2012-13 as compared to 2011-12. The authorities had no clue on why did it happen when asked about. However it apparently seems a shift of focus and hence funds to Sanitation in 2012-13, which has increased from Rs.1.69 to 3.15 million.

The details of developmental budget available for water supply and sanitation are given in table 10 annexure

Figure 4: Development Budget for Water 2011-2013

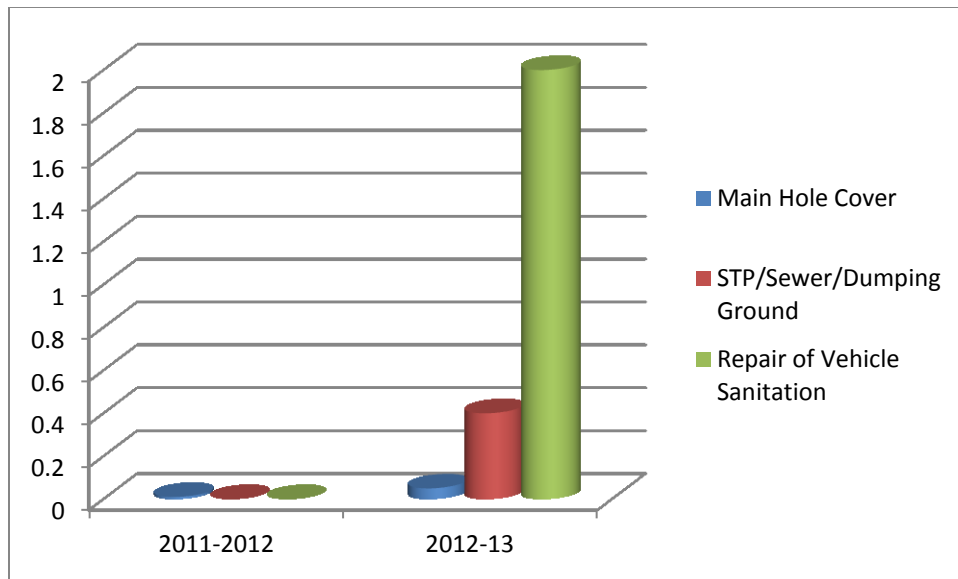


Source: TMA Mardan Budget Book 2012-2013.

Developmental budget for water and sanitation for the year 2011-12 is estimated at 1.677 million PKR. 1.502 million PKR of which, available for water supply, is allocated for water supply pipelines, construction of new tube wells and overhead water tanks. The estimate for developmental budget for sanitation is 0.175 million which has been allocated to cover main holes and on sewers and dumping grounds. The actual developmental budget available for the same year was 1.626 million PKR for water supply and 0.01 million PKR for sanitation. For the financial year 2012-2013, a total of 3.15 million is estimated to be available for water and sanitation in developmental funds with 0.7 million PKR available for water supply and 2.45 million PKR available for sanitation. Addition in 2012-2013, 2 million PKR are also estimated to be made available for repair of vehicles used by the sanitation department. There seems no known reason or logic behind the increase or decrease in a

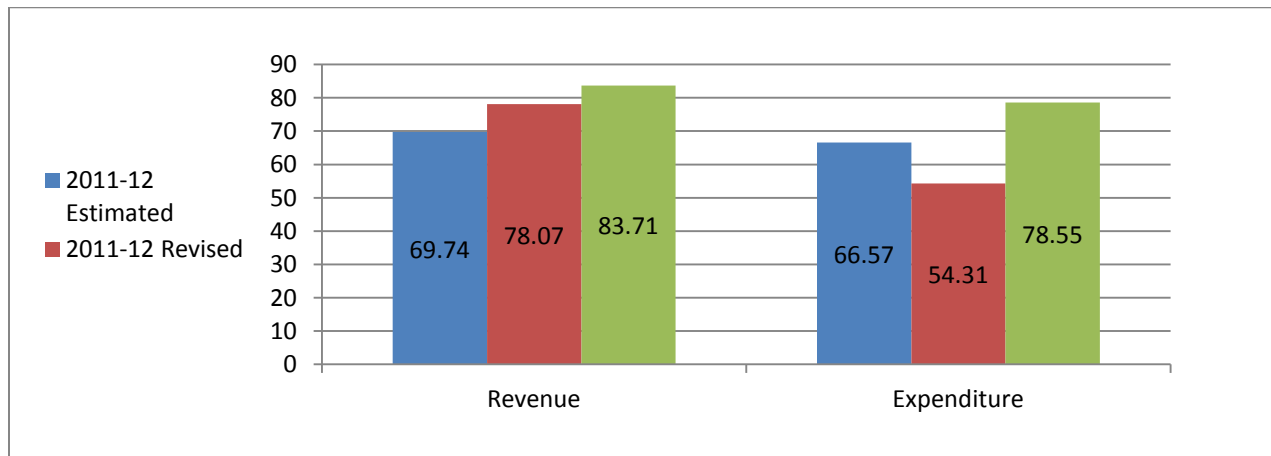
specific head or sub head. When asked, the TMA officials reported this as a discretion of the Tehsil Municipal Administration Officer or the higher authorities. The major reason they described was political influence.

Figure 5: Development Budget for Water and Sanitation 2011-12 to 2012-13



7.7. Budget of Tehsil Municipal Committee Takth Bhai

Figures 6: Comparison of Revenue and Expenditure TMA Takth Bhai (2011-12 to 2012-13)



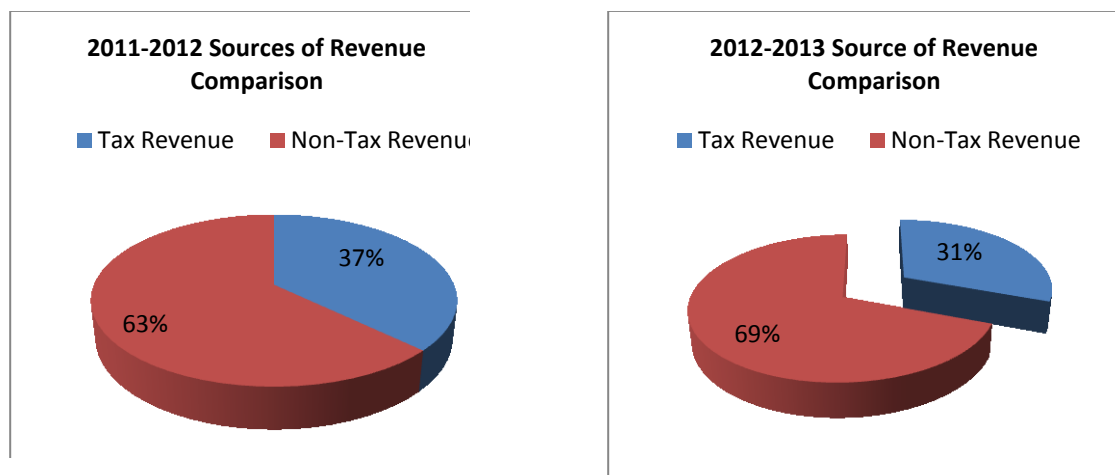
In FY 2011-12 the estimated revenue was PKRs: 69.74 million which was raised to PKRs: 78.07 million in the revised budget in the same Fiscal Year. The revenue estimate further elevated to PKRs: 83.71 million in 2012-13. Expenditure in the FY 2011-12 estimates remained PKRs: 66.57 million while it reduced by 7.25 million (7.25%) in the same year. Expenditure was estimated PKRs: 78.55 million in FY 2012-13. The variance between revenue and expenditure estimate for was PKRs: 3.17 million in FY 2011-12. The variance between revenue and expenditure in the revised budget for the same year was PKR: 23.76 million while variance for the 2012-13 estimate budgets was PKRs: 5.16 million. The analysis depicts that major variance between revenue and expenditure occurred in the revised estimates for 2011-12 (18%).

7.8. Revenue Budget Analysis of Tehsil Municipal Committee Takth Bhai

The revenue budget is split into two major parts, the 'Tax Revenue' and 'Non Tax Revenue. In FY 2011-12 the total estimated revenue for TMA Takth Bhai was PKRs: 53.43 million which was revised to PKRs: 45.34 in the same year. While for 2012-13 the estimates of revenue were PKRs: 60.97. Thus an increase of PKRs: 1.80 million (5.66%) was recorded over 2011-12 revised budget.

In both the financial years 2011-12 and 2012-13, major portion of the total revenue i.e. 28.49 million (63 % of total) and 42.7 million (69% of total) came from non-tax sources respectively. In 2011-12 the contribution of non tax revenue of TMA Takth Bhai was 69%, which got shrink to 63% in 2012-13 while the tax revenue increased from 16.85 (31% of total revenue) in FY 2011-12 to 18.7 million (37% in FY 2012-13).

Figure 7: Source of Revenue Comparison



Source: TMA Takth Bhai Budget estimates 2012-2013.

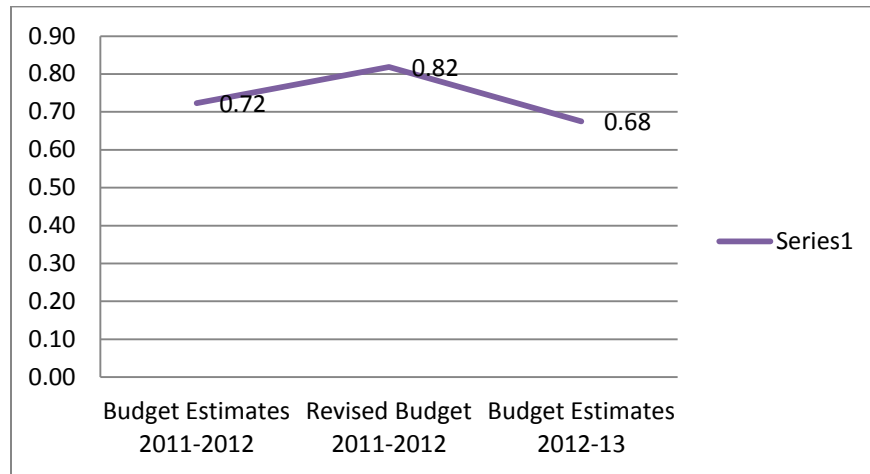
Major portion of the tax revenue i.e. 15 million in 2011-12 and 16.8 million in 2012-13 out of total 16.85 million and 18.7 million respectively came from tax on transfer of immovable property.

Major contribution in the non-tax revenue was set to come from Grants from Federal Government in lieu of Octri, general bus stand fee and fee on sale of animal. The contribution remained 10.61 million, 10.65 million and 4.05 million in 2011-12 and 11.71 million, 11.71 million and 5.25 million in 2012-13.

7. Expenditure Budget Analysis of TMA Takth Bhai

The expenditure analysis of Tehsil Takth Bhai shows a steep progression in FY 2011-12 and FY 2013. In FY 2012 the expenditure budget was estimated to be PKRs: 0.72 million which was increased to 0.82 million in the revised budget for the same year. However; budget allocation in the 2012-13 estimates decreased to 0.68 million.

Figure 8: Tehsil Takth Bhai Expenditure Analysis for 2011-12 and 2012-13



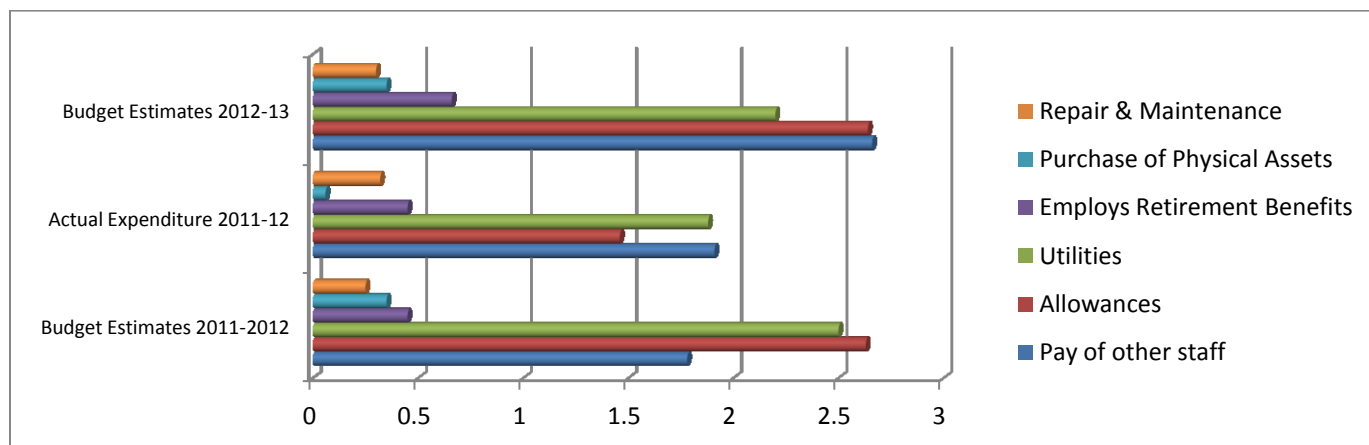
Major heads wherein the budget in 2011-12 was spent were Basic Pays, Regular Allowances, Communication, General and Employs Retirement Benefit with respective allocation of PKRs: 0.24, 0.18, 0.03, 0.31 and 0.05 million in 2011-12 and 0.32, 0.22, 0.05, 0.03 and 0.05 million in 2012-13. Sizable increase of 0.06 million was noticed in the budget estimates Basic Pays in 2012-13 against the actual spending of PKRs: 0.24 million in 2011-12. Similarly a decrease of 0.28 million was observed in the General head, detail of which are not disclosed in the report.

7.9.WASH Budget Analysis Tehsil Municipal Committee Takth Bhai

Though there is a separate section for WASH budget in the budget book of Tehsil Takth Bhai, there is little information available on the developmental budget as a whole. Secondly the estimated allocation for the developmental budget witnessed a steep decline from 13.90 million (79.11%) in 2011-12 revised to 6.6 million (6.6%) in the same year and 0.971 million in 2012-13. The impact of this was likewise on the Wash Budget allocation for all the three years. The current allocation for the Water was 7.59 million in 2011-12, 6.09 million in the revised budget of the same year and 8.81 million in 2012-13. Similarly allocation for Sanitation was no different. In 2011-12 the allocation for sanitation current expenditure was 10.02 million, which was raised in estimates for 2012-13 to 13.36 million. The combined developmental budget for Water and Sanitation remained 10.02 million and 13.36 million in 2011-12 and 2012-13 respectively. Details of the allocation under current and developmental budget are given below.

7.10. Current Expenditure of WASH Tehsil Municipal Committee Takth Bhai

Figure 9: Comparison of 2011-12 and 2012-13 WASH Current Expenditure for TMA Takth Bhai



The total estimate of current expenditure for the FY 2011-12 was PKRs: 7.95 million which got revised to PKRs: 6.09 million in the same fiscal year. For the FY 2012-13, PKRs: 8.81 million was set as an estimate of expenditure. Out of the 6.09 million actual expenditure in 2011-12, major portion was eaten up employs pay amounting PKRs: 1.91 million, followed by utilities which consumed PKRs: 1.88 million and then allowances with 1.46 million spending. In the following fiscal year, 2012-13 estimates for spending on Pay of staff were set as PKRs: 2.66 million followed by Allowances and then Utilities with spending estimates of PKRs: 2.64 and 2.20 respectively. This way an increase of PKRs: 0.75 million was noticed over the actual spending of FY 2011-12. The lowest budget spending i.e. PKRs: 0.06 million in the year 2011-12 occurred on purchase of physical assets, followed by 0.32 million spending on repair and maintenance. In FY 2012-13 the lowest budget allocation estimates was for Repair and maintenance i.e. 0.30 million followed by 0.35 million allocation for purchase of physical assets.

7.11. Developmental Expenditure of Tehsil Municipal Committee Takth Bhai

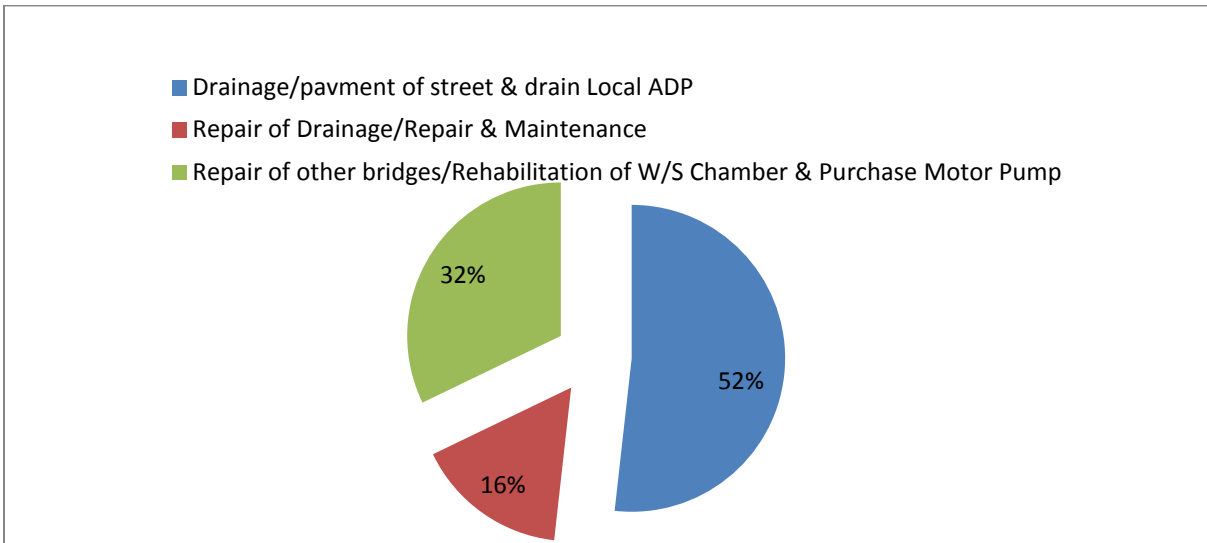
The total development expenditure given in the budget book of TMA Takth Bhai shows PKRs: 13.90 million allocations in the FY 2011-12 estimates and actual spending of PKRs: 6.65 million in the same fiscal year. An increase of PKRs: 3.02 million was estimated in the subsequent fiscal year 2012-13. Out of the total developmental budget, most of the allocation in both the years went to the Civil Work amount PKRs: 7.88 million in 2011-12 estimates, PKRs: 0.62 million as actual spending/revised budget in the same fiscal year and PKRs: 8.67 million in the FY 2012-13. The other main head 'Repair and Maintenance of Schemes' received PKRs: 6.02, 0.62 and 1.00 million in 2011-12 estimates, revised and 2012-13 estimates respectively.

Out of the total developmental expenditure, the WASH sector PKRs: 4.98 million (35.8%) was estimated for 2011-12 which was revised to PKRs: 0.62 (9.37%) in the same year while only Rs: 1 million (10.38%) was allocated for WASH in 2012-13.

As evident from the below chart, major portion of the budget allocated for WASH was eaten up by Drainage/pavement of street and drain amounting PKRs: 2.58 million in 2011-12 estimates. However no revision was witnessed in the same year's revised budget. Similarly no allocation was made under this head in 2012-13. Likewise there is no specific information available on whether the amount was allocated and spent on Drainage or pavement of streets or drainage only or both combine. Another budget head Repair & Maintenance of Drainage consumed PKRs: 0.8 million in 2011-12 while only PKRs: 0.03 million was allocated to the same head in 2012-13. The Repair of other bridges and Wash & Sanitation Chamber was coupled with purchase of Motor Pump in the developmental budget and there is no specific information on which of these

three consumed how much portion of the budget. Allocation for this head in FY 2011-12 was 1.6 million which got revised to PKRs: 0.62 million at the end of the year while no allocation is visible for the same head in 2012-13 budget.

Figure 10: WASH Development Expenditure: Distribution of Repair and Maintenance Allocations 2011-12 to 2012-13

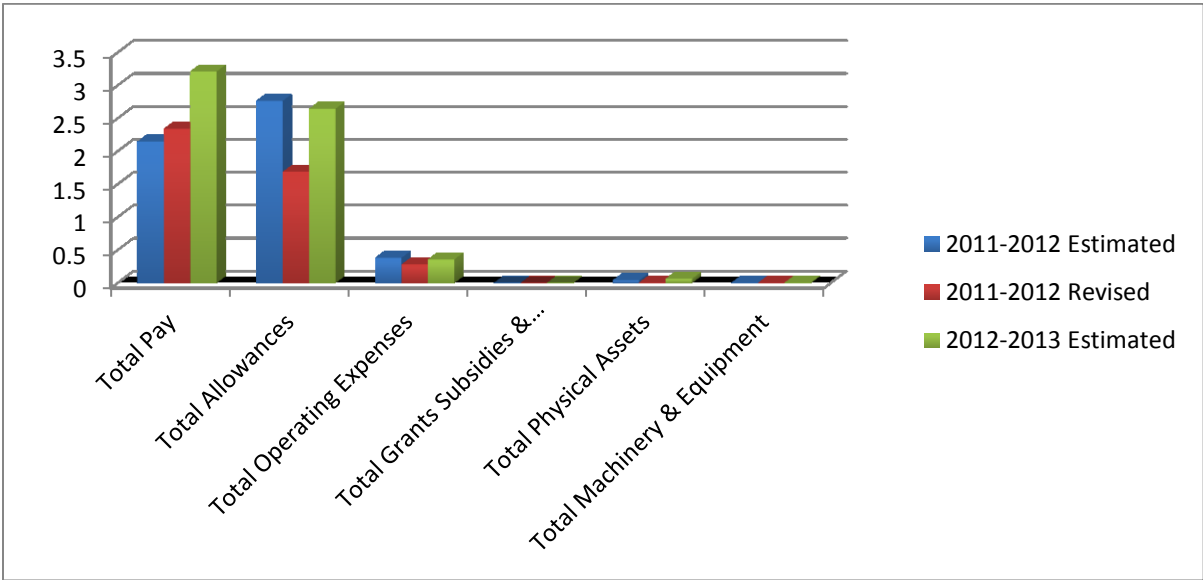


7.12. Public Health Engineering (PHE) Circle Mardan District:

Provincial Public Health Engineering Department received Rs. 197.614 million in 2010 against the budget estimates of Rs. 17.630 in the previous year. The allocation for this head in 2013 went up by 24.30% to 167.03 against the allocation of Rs. 134.381 in 2011-12. This sum was allocated for the construction and maintenance of Rural Drinking Water Supply and Sanitation Schemes including Sewage Treatment Plants and Solid Waste Management. The total estimated budget available to the Public Health Engineering department, Mardan Circle for FY2011-2012 was 5.357 million PKR, which was revised to 4.328 million PKR. However, the estimates for FY 2012-2013 were given as 6.302 million PKR, which is 1.974 million PKR more than the revised budget and about a million PKR more than the estimates of FY2011-2012. The increase can mostly be seen in employee related expenses, following the trend of budget allocation that sees most budgets allocated for employee related expenses.

7.13. Superintending Engineer PHE Circle Mardan (PKR in Millions)

The following chart highlights that most of the budget of PHE Mardan goes to employee allowance in estimates for 2011-2012, the given distribution of which is vague. 2.765 million PKR were allocated for allowances of which, 2.646 million went to regular allowances while 0.119 million PKR went to other allowances. However, in the actual budget of the same year, only 1.690 million PKR were actually spent on allowances. But in the estimates for FY 2012-2013, PKR 2.646 million are allocated for allowances which is almost double of what was actually spent on the allowances in the previous financial year. The biggest share of the PHE budget for Mardan District however goes to salary of PHE employees. In 2011-2012 estimates, 2.149 million PKR were apportioned for salary, which was then revised to 2.340 million PKR. In estimates for 2012-2013, 3.211 million PKR are allocated for salary of the employees. Taken together, about 93% of the budget of PHE Mardan is being spent on employee related expenses while just 6.5% of the budget is spent on operational expenses. Only 0.12% of the PHE budget goes to Developmental Expenditure, specifically to repair and maintenance that is apparently being spent on transportation and maintenance of office space.



8. Findings

8.1. General Findings

- ▶ The process for budget making at provincial as well as at district level is based on 'incremental increase' and is highly dependent on 'availability of external funds'.
- ▶ There seems little work done on the need/equity part; areas where budget allocation is most needed are neglected.
- ▶ There is no allocation of budget or spending visible for hygiene improvement, which a critical part associated with water and sanitation.
- ▶ There exists no mention of allocation on policy and regulations making or enforcement on usage of portable water.
- ▶ The budget does not reflect any gender consideration at any level, sector or service.
- ▶ Budget allocation for Water and Sanitation rest at many departments and heads, hence is difficult to track.
- ▶ No visible community or civil society participation noted except pre and post budget conferences which are held at national and provincial level.
- ▶ The transition between different local government systems has turned the budget making process complicated.
- ▶ Target setting is visible in case of developmental schemes only.

8.2. Specific Findings

8.2.1. Provincial Budget

- ▶ 8% increase in the General Revenue Estimates n 2012-13
- ▶ No increase was noted in the current capital budget
- ▶ 9% increase was observed in the Developmental Budget 2012-13
- ▶ The 9% increase is visible in the Current Revenue Expenditure estimates in 2012-13
- ▶ Transfer to district makes 42 and 44% of the total provincial expenditure budget
- ▶ Volume of the Provincial ADP increased by 2% only in 2012-13.
- ▶ District ADP increased by 5% in 2012-13.
- ▶ Ongoing schemes consumes 82% of the total Drinking Water Supply allocation in FY 2011-12 and 56% in FY 2012-13
- ▶ Estimates for ongoing schemes decreased by 25% in FY 2012-13
- ▶ Allocation for new schemes raised by 52% in 2012-13.

8.2.2. District Budget (Tehsil Municipal Council Mardan)

- ▶ Grants received stand out as major revenue source for the budget estimates.
- ▶ Slight increase in the revision in revenues for 2011-12
- ▶ No significant change in the estimates for 2012-13 revenue sources.
- ▶ Office of the TMO and Sanitation is taking up most of the expenditure
- ▶ Expenditure for 2012-13 remained stable against preceding FY 2011-12, except for decrease in town sanitation in the same year.

8.2.3. Water Sector Tehsil Municipal Committee Mardan

8.2.3.1. Revenue from WASH TMC Mardan.

- ▶ The allocation for Water had decreased by 0.92% to Rs. 0.7 million in 2012-13 as compared to Rs. 1.62 million in 2011-12.
- ▶ Water Use Charges contributed Rs. 3.38 millions against the estimate of 5.5 million in 2011-12 while it was estimated Rs. 9.87 in 2012-13.
- ▶ Commercial sale of water by the TMC yielded Rs. 0.01 million in 2012-13, while no gain were visible in 2011-12 under this head.
- ▶ Pay of water Rates Staff contributed (Rs. 2.927 million) in the WASH related Revenue in 2011-12 estimates for Tehsil Municipal Takth Bhai.
- ▶ The Tehsil Municipal Committee's Fire Brigade could not earned any revenue in 2011-12 against the target of Rs. 0.005 million. In fiscal year 2012-13 the estimates for income from Fire Brigade was set as Rs. 0.01 million. Allocation for the Town Water Supply remained almost stable during the period 2011-12 and 2012-13 with budget estimates of Rs. 32.207 million in 2011-12, actual expenditure for which was Rs. 32.382 million in the same year while estimates for the 2012-13 was then raised to 34.83%.
- ▶ About 50% of the expenses in Water Supply head went out in Basic Pay, followed by other allowances under employs related expenses.
- ▶ Electricity consumed 78% of the expense of Water Supply Operational budget in both the financial years 2011-12 and 2012-13.
- ▶ Pension contribution is the second largest head of expense while expense on water operation is in decimals.

8.2.3.2. Sanitation Sector Tehsil Municipal Committee Mardan

8.2.4. Revenue Sanitation Sector TMC Mardan

- ▶ The source of revenue from Sanitation in TMC Mardan has been use of Public Latrines ,Cantonment Board Plaza Latrines. And Sale of Sullage/Waste Water.
- ▶ Revenue from Public Latrines was estimated 0.55 in 2011-12, while Rs. 0.178 million could be collected during the year. In 2012-13 the estimates were set as 0.52 million.

- ▶ Sale of sullage/waste water was estimated as Rs. 0.005 million in 2011-12 and 2012-13, however the budget books are silent of any revenue generated from this sub head.

8.2.5. Expenditure Sanitation TMC Mardan

Allocation for Sanitation in the 2012-13 dropped drastically by 88% from revised estimates of Rs. 515.74 million and Rs. 272.086 million in 2011-12. Similarly the ratio in the pie also decreased from 56% of the total expenditure on Water to 16% .

- ▶ The Development Expenditure on sanitation remained minimal (11% only) of the Rs. 0.175 million allocated. The estimates in 2012-13 however were set as Rs. 2.45 million.
- ▶ Major part of the pie for Sanitation Current Budget goes to basic pay, and allowances under Employ Related Expenses.
- ▶ Allocation for basic pay under Sanitation increased from 53 million in FY 2011-12 to 56 million in 2012-13.
- ▶ Allocation for other allowance raised from 43 million in FY 2011-12 to 63 million in FY 2012-13
- ▶ Under Sanitation Operations, pension contribution with 66% and 50% consumption remained major head in 2011-12 and 2012-13 spending.
- ▶ Fuel took 32% and 26% in the respective financial years for San Operations.

8.3. Revenue and Expenditure Tehsil Municipal Committee Takth Bhai

8.3.1 Water Revenue Sources TMC Takth Bhai

- ▶ Major source is Non Tax Revenue for Tehsil Municipal Committee Takth Bhai. 6% increase was recorded in non tax revenue between FY 2011-12 and 2012-13
- ▶ Major contribution came from Grant from Federal Government in Lieu of Octroi/GST, General Bus Stand Fee and Fee on sale of animals in cattle market in Non-tax income.

8.3.2. Water Expenditures TMC Takth Bhai

- ▶ Estimates for expenditure decreased from by 17% in 2012-13 with no ground or reason known to the TMA officials.
- ▶ Expenditure on Town water supply in 2011-12 was 3.52% of the total expenditure on water in Tehsil Municipal Administration T.Bhai which is
- ▶ Major decrease (though in decimals) occurred in general expenses and Regular Allowance head under Employ Related expenses.
- ▶ Major Chunk of the Current Expenses incurred on Pay of the staff, allowances and utilities under Employ Related Expenses

- ▶ Under Employers Related Expenses Pay of staff, increased in 2012-13 by 16.5%, allowances by 28.36%, purchase of physical assets by 69% and employers benefits by 19%

8.3.3. Developmental Expenditure

- ▶ Major expenses head with 91% and 81% of the total water development budget in 2011-12 and 2012-13 respectively came under Annual Development Program.
- ▶ Second major head of expenses (10%) were repair and rehabilitation of Water & Sanitation Chamber and Purchase of Motor Pumps
- ▶ No allocations were made for street pavement, drainage, Citizen Community Boards or highways.

9. Recommendation

- ▶ Engaging citizens in prioritizing allocation of budget for WASH should be encouraged, current situation call of public inputs etc. This could be done by holding planning sessions/seminar with key civil society leaders/organization, trade unions and elected representatives before the budget making process starts.
- ▶ Advocacy campaign should be launched to ensure gender based budgeting for Water & Sanitation.
- ▶ Similarly advocacy session with elected and government officials for equity based budgeting should take place to include priority schemes in the budget and ADP. Policy advocacy for ground water usage policy and regulation making must be initiated to control the improper exploitation of ground water sources. A budgetary allocation for monitoring of water exploration and maintenance may help in this regard.
- ▶ Advocacy campaign for budget allocation for hygiene improvement awareness rising should be launched so as to prevention of water born and other epidemic diseases could be ensured.
- ▶ KP RTI Act 2013 should be used for ensuring transparency in allocation and utilization of WASH budget by asking for more information from the government departments.
- ▶ Early switch over to the new Local Bodies System and establishment of a consultative mechanism might help streamline the budget committee mechanism. At current there exist no local government systems and the previous budget committees have been dissolved. In the absence of defined structure, consensus building over budget seems impossible.
- ▶ Output Based Budgeting should be encouraged at district level,
- ▶ Developmental Budget should be increased by manifolds ensuring access to quality water and sanitation facilities and their proper utilization.
- ▶ Coordination between P&D, Finance and TMC should improve.
- ▶ Allocation for Water & Sanitation budget required substantial increase, especially in the developmental head. As allocation in at current seems insufficient to the requirement.
- ▶ Advocacy for Water Budget increase is needed at district and provincial level Water and Sanitation budget should not be merged with other head and must be very clear.

1. Annexures

Annexure 1: Budget Making Process under Financial Management Reforms

The Provincial Reforms Program set out following objectives as a base to Public Financial Management Reforms.

- a) Making budget strategic by linking policy, planning and budgeting.
- b) Making budget result oriented by introducing Output Based Budgeting
- c) Enhancing the capacity of line departments to prepare, execute and monitor their budget.
- d) Improving budget execution and reporting improving Monitoring and Evaluation.

Under the Financial Management Reforms; the budget making process is governed by the Provincial Finance Commission. The commission consists of eleven members including

1. the Minister for Finance, Province of the Khyber Paktunkhwa Chairman;
2. the Minister for Local Government, Elections and Rural Development, Province of the Khyber Paktunkhwa;
3. two Members of the Provincial Assembly, nominated by the Chief Minister including Leader of the opposition or his nominee;
4. secretary to Government, Finance Department;
5. secretary to Government, Planning and Development Department;
6. secretary to Government, Local Government, Elections and Rural Development Department;
7. One Chairman or Mayor, District Council/Municipal Corporation nominated by all Chairmen District Councils;
8. one Chairman, Municipal Committee, nominated by all Chairmen of Municipal Committees;
9. one Chairman Union Council, nominated by Government; and
10. Civil Society member nominated by the Chief Minister.

The finance commission shall function to provide recommendation to the provincial government on the basis of need, capacity, effort and performance of Local Councils on:

- a) The share of grants to be given to the local councils out of the Provincial Consolidated Fund.
- b) Having a formula for distribution of grants among local councils in the province.
- c) Allocation of special grants with modalities and condition for Local Councils to access such funds.
- d) Grants in aid to Local Councils in need of assistance; and
- e) Matters relating to Local Councils finance.

The decision making in the commission rests on the principle of majority of member. The commission will also present an annual report to the government regarding the fiscal transfer, status of councils own sources, their coverage and quality of services which will further be presented to the Provincial Assembly.

Annexure 2: Total Revenue and Expenditure of Tehsil Municipal Committee Mardan

Table 3: Total Revenue & Expenditure of TMC Mardan (In PKR-Million)	2011-2012		2012-2013
	Estimated	Revised	Estimated
Revenue	272.091	543.925	354.378
Expenditure	272.085	515.747	326.179

Source: TMA Mardan Budget Book 2012-2013.

Table 4: Main Sources of Revenue of TMA Mardan (In PKR-Million):

Main Sources	2011-2012		2012-2013
	Estimated	Revised	Estimated
Tax Revenue	69.3	71.418	80.403
Grant Received by TMAs	96.859	334.087	106.545
Income from Other non-Tax Sources	87.746	71.899	102.232183
Capital Receipts	0.04	0.021	37.02

Table 5: Detailed Sources of Revenue of TMA Mardan (In PKR-Million)

Revenue Generated Through Tax

Detail Object Description	2011-2012		2012-2013
	Estimated	Revised	Estimated
Tax Revenue			
Direct Tax			
Share of net proceeds assigned to Districts/TMAs etc	11.5	12.34	15
Other Collection	0	0	0
New: Tax on Transfer of Immovable Property	57.3	59	65.003
Others (Transfer of TMA Shops)	0	0.08	0.3
New: Taxes on Vehicles other than under Motor Vehicles Act (Qing chi Rickshaw)	0.5	0.084	0.1
Total of Tax Revenue	69.3	71.504	80.403

Source: TMA Mardan Budget Book 2012-2013.

Table 6: Revenue Received in Grants

Income from Provincial Government			
Grant from Federal Government	0	0	0
Grant from Federal Government in lieu of Octroi/GST	76.662	63.89	84.328
Grant from Provincial Government (PFC Share)	20.197	20.197	22.217
Grant from Provincial Government (Performance/ Conditional Grant)		250	0
Grant from Provincial Government (Unconditional Grant)			0
Grants from District Government			
Total	96.859	334.087	106.545

Source: TMA Mardan Budget Book 2012-2013.

Table 7: Other Non-Tax Sources:

Non-Tax Revenue	2011-2012		2012-2013
	Estimated	Revised	Estimated
Interest realized on Investment of cash balances (Profit from Bank)	0.2	0.4002	0.4
Interest on Loans and Advances – Others	0	0	0
Building Rent	0.005	0.062	0.1
Receipts from Workshops and Rent of Equipment	0	0	0
Recoveries of Expenditure	0	4.888	0
Recoveries of Over-payments	0	0	0
Collection of Payments for Services Rendered			
Pay of water Rate Staff from Contractor	2.927	0	0
Pay of prop: tax collector staff from contractor	0.861	0.25	0.527
Pay of Building plan staff from contractor	0.634	0.1	0.638
Pay of Load unload staff from contractor	0.228	0.165	0.462
Others	0	9.003	0
Fire Services	0	0	0
Others – Citizens Community Board	0	0	0
Printing			
Sale of Forms and Registers	0.005		0.05
Extraordinary Receipts			
Sale of Land (Premium of shops)	0.455	0.43	0.65
Sale of other Govt. Assets (Court Decree Tanga Stand)			0.24
Other Receipts (Not Elsewhere Stated)			
Recoveries of Overpayments	0.09		0
(Other Receipts "Arrears")		0.266	0
Collection of Payments for Service Rendered (.5% Contingency)			2.5
License Fee (Articles of Food and Drink)	0.5	0.161	2.5

License Fee- Others (BTS Tower)	0.5	0.12	0.15
License Fee- Others (Show Tax)	0.02	0	0
License Fee- Others (Load Unload) Urban	2.702	1.505	1.9
License Fee- Others (Load Unload) Rural	0.296	0.236	0.384
Income From Transport Stands			
Bus Stand Mardan	41.557	24.4	35
Bus Stand Mardan Bays	0.65	0.205	0.65
Bus Stand Katlang	1.5	1.475	2.05
Bus Stand Rustam	1	0.875	1.1
Bus Stand Toru	0.43	0.277	0.485
Bus Stand Bakhshali	0.85	0.901	0.95
Bus Stand Shahbaz Garhi		0.0003	
Bus Stand Kati Garhi		0.0004	
Parking Places	0.02	0.011	0.02
Truck Stand Fee	0	0	0
Wagon Stand Fee D-Class Stand (F/Coach)	1.65	1.246	20
Suzuki/Pickup Stand Fee	0	0	0
Rickshaw/Motorcycle/Bicycle Stand fee	2.015	1.041	24
Tonga Rehra Stand Fee	0.01	0.031	0.05
Fee from Other Transport Stands	0	0	0
Fee and Fine for Building Plans			
Fee for approval of building/construction plan	2.505		
Fine for building violations (irregular land use building use) (Fee for Registration Architect)	0.005	0	0.001
Fine for Encroachments	0.01	0.295	0.8
Fee for Slaughter of Animals	0.3	0.553	0.9
Sale of Slaughter House Waste			0.05
User Charges			
Water Rate Free Current	5.5	3.382	9.878
Water Rate Free Arrears	0.1	0.399	5.665

Receipts on account of sale of water-commercial			0.01
Receipts on account of sale of water- through tankers	0.02	0.113	0.01
Public Utility Latrine	0.5	0.178	0.47
CB Plaza Latrine	0.05	0.028	0.05
Sale of Sullage/ waste-water	0.005		0.005
Fee of Fire Brigade	0.005		0.01
Market and Other Fees			
Cattle Fair Bughdada	3.53	3.315	4.238
Cattle Fair Shahbaz Garhi	2.39	2.851	2.75
Cattle Fair Katlang	1.285	0.841	1.5
Cattle Fair Rustam	1.285	0.901	1.35
Cattle Fair Bakhshali	1.105	0.935	1.35
Cattle Fair Toru	0.56	0.529	0.6
Registration Enlistment of Contractors	0.15	0.32	0.4
Tender Fee	0.1	0.003	0.1
Advertisement Fee			
Advertisement Fee on Billboards	0.2	1.254	2.7
Advertisement Fee on Road Poles			1
Rent of Municipal Properties			
Rent of TMA Property (Current)	7.348	5.422	9.006
Rent of TMA Property (Arrear)	1.585	2.305	0.358
Other Rents (Rent of TMA Quarters)	0.03	0.062	0.1
Miscellaneous Income			
Copying Fee	0.01		0.01
Sale of Trees and Plants	0.025	0.0051	0.02
Sale of Stocks and Stores	0.1	0.371	0.1
Other Fee- Miscellaneous Fee	0.4	2.073	0.5
Total of Non-Tax Revenue	88.208	74.184	138.737

Source: TMC Mardan Budget Book 2012-2013.

Table 8: Capital Receipt Tehsil Municipal Committee Mardan

Capital Receipts	2011-2012		2012-2013
	Estimated	Revised	Estimated
Recoveries of Investment			37
Recoveries of Loan and Advances from Employees			
House Building Advance	0.02	0.021	0.02
Motor Cycle/Scooter Advance	0.02		
Total of Capital Receipts	0.04	0.021	37.02

Source: TMA Mardan Budget Book 2012-2013.

Table 9: Main Heads of Expenditure TMC Mardan

Main Heads	2011-2012		2012-2013
	Estimated	Revised	Estimated
Office of the Nazim	1.467	1.2821	1.524
Office of the Council Secretariat	0.994	1.37	1.542
Office of the Tehsil/ Town Municipal Officer	29.863	284.255	31.263
Town Officer Infrastructure	13.721319	11.998	13.997
Office of the Tehsil/ Town Officer Infrastructure	20.197	21.493	22.217
Town Fire Brigade	7.9175	7.943	7.252
Town Street Light	4.469	4.078	32.426
Town Garden	12.078	11.434	13.226
Town Water Supply	33.207	32.382	34.837
Town Officer Finance	5.707	4.538	5.203
Town Officer Regulation	14.424	14.021	17.663
Town Co-Unit	9.243	8.545	9.292
Town Sanitation	272.086	515.748	32.179

Source: TMA Mardan Budget Book 2012-2013.

Table 10: Expenditure on Water Supply (Employee Related Expenses) TMC Mardan

Employees Related Expenses	2011-2012		2012-2013
	Estimated	Revised	Estimated
Pay of Officers			
Basic Pay			
Pay of Other Staff			
Basic Pay	11.377	10.44	11.283
Regular Allowances		0	
House Rent/House Subsidy	1.271	0	
Conveyance Allowance	1.273	0	
Washing Allowance	0.206	0	
Special Additional Allowance		0	
Medical Allowance	1.374	0	
Adhoc Relief Allowance 15%	1.021	0	
Other (Adhoc Allowance 2010) 50%	3.424	0	
Medical Charges	0.03	0.165	0.03
Other Allowance		7.977	11.486
Total	19.976	18.582	22.799

Source: TMA Mardan Budget Book 2012-2013.

Table 11: Expenditure on Water Supply (Operation Expenses)

Operating Expenses	2011-2012		2012-2013
	Estimated	Revised	Estimated
Utilities			
Gas			
Electricity	10	10.7	9
Hot & Cold Charges	0.08	0.001	0.1
General	0	0	
Stationery	0.03	0.014	0.015
Supply of Elec: Meters & Others	0.02	0.033	0.025
Cleanliness Chemical for Water Tanks	0.04	0.0336	0
Employees Retirement Benefits			
Pension			
C.P. Fund	0.189	0	0.257
Pen Contribution LCS	2.769	3.018	2.589
Transfers (Scholarships)			
Other Extra Duty Award	0.1	0	0.05
Total	13.228	13.7996	12.036

Source: TMA Mardan Budget Book 2012-2013.

Table 12: Expenditure on Sanitation (Employee Related Expenses)

Employees Related Expenses	2011-2012		2012-2013
	Estimated	Revised	Estimated
Pay of Officers			
Basic Pay			
Pay of Other Staff			
Basic Pay	55.237	52.789	56.067
Regular Allowances			
House Rent/House Subsidy	0.76	0	0
Conveyance Allowance	7.25	0	0
Washing Allowance	1.665	0	0
Medical Allowance	8.424	0	0
Adhoc Relief Allowance 15%	5.004	0	0
Other (Adhoc Allowance 2010) 50%	16.685	0	0
Medical Charges	0.1	0.119	0.2
Contingent Paid Staff	1.62	1.274	0.684
Other Allowances	0	0	0
Other Allowance	41.718	43.22	62.995
Total	138.463	97.402	119.946

Source: TMA Mardan Budget Book 2012-2013.

Table 13: Expenditure on Sanitation (Operation Expenses)

Operating Expenses	2011-2012		2012-2013
	Estimated	Revised	Estimated
Motor Vehicles			
Fuel	2.3	4.159	4
Employment Retirement Benefits	0	0	0
Pension	0	0	0
C.P. Fund	2.755	0	2.915
Pen Contributions LCS	8.122	8.55	7.773
Transfers			
Others Extra Duty Award	0.2	0.16	0.5
Generic Consumables	0.04	0.183	0.5
Total	13.417	13.051	15.688

Source: TMA Mardan Budget Book 2012-2013.

Table 14: Developmental Budget for Water and Sanitation (Pak Rupees in Million)

Description	2011-2012		2012-2013
	Estimated	Revised	Estimated
Water Supply			
Water Supply Pipeline	0.5	0.576	0.5
Tube Wells	1	1.05	0.15
Overhead Water Tank	0.002	0	0.05
Total	1.502	1.626	0.7
Sanitation			
Main Hole Cover	0.075	0.01	0.05
STP/Sewer/Dumping Ground	0.1	0	0.4
Repair of Vehicle Sanitation	0	0	2
Total	0.175	0.01	2.45
Total Water and Sanitation	1.677	1.636	3.15

Table 15: Total Revenue & Expenditure of TMA Takth Bhai (In PKR-Million)

Budget Head	2011-2012	2011-12	2012-2013
	Estimated	Revised	Estimated
Revenue	69.74	78.07	83.71
Expenditure	66.57	54.31	78.55

Source: TMA Takth Budget Book 2012-2013.

Table 16: Basic Heads of Expenditure of TMA Takth Bhai

Budget Head	Budget Estimates 2011-2012	Revised Budget 2011-2012	Budget Estimates 2012-13
Basic Pays	0.23	0.24	0.32
Regular Allowances	0.37	0.18	0.22
Communication	0.05	0.03	0.05
General	0.03	0.31	0.03
Employs Retirement Benefit	0.04	0.05	0.05

Source: TMA Takth Budget Book 2012-2013.

Table 17: Details of Expenditure of TMC T.Bhai

Detail Object Description	Budget Estimates 2011-2012	Revised Budget 2011-2012	Budget Estimates 2012-13
Pay of Officers			
Basic Pay	0.08	0.00	0.08
Pay of Other Staff			
Basic Pay	0.14	0.24	0.24
Regular Allowances			
House Rent/House Subsidy	0.02	0.03	0.02
Conveyance Allowance	0.02	0.02	0.04
Dearness Allowance	0.01	0.00	0.00
Special Additional Allowance	0.01	0.00	0.00
Medical Allowance	0.02	0.03	0.02
Entertainment allowance/Honoraria to Councillor	0.15	0.00	0.00
Special allowance 15% Adhoc Relief 2011	0.02	0.02	0.02
Adhoc Relief Allowance 50%	0.01	0.08	0.07
Special Adhoc Relief	0.01	0.00	0.00
Special Adhoc Relief Allowance 20%	0.02	0.00	0.05
Other (Adhoc Allowance 2010)	0.07	0.00	0.00
Other Allowances		0.00	0.00
Total for regular allowances	0.37	0.18	0.22
Communication			
Telephone and trunk call	0.05	0.03	0.05
	0.05	0.03	0.05
General			
Others/Meetings Charges of Tehsil Council	0.03	0.31	0.03
Total	0.03	0.31	0.03
Employs Retirement Benefits			
Pension	0.04	0.05	0.05
Total	0.04	0.05	0.05
Grand total	0.72	0.82	0.68

Table 18: Current Expenditure of WASH TMA Takth Bhai

Budget Head	Budget Estimates 2011-2012	Actual Expenditure 2011-12	Budget Estimates 2012-13
Pay of other staff	1.78	1.91	2.66
Allowances	2.63	1.46	2.64
Utilities	2.50	1.88	2.20
Employs Retirement Benefits	0.45	0.45	0.66
Purchase of Physical Assets	0.35	0.06	0.35
Repair & Maintenance	0.25	0.32	0.30
Total Expenditure	7.95	6.09	8.81

Table 19: Superintending Engineer PHE Circle Mardan (PKR in Millions)

	2011-2012		2012-2013
	Estimated	Revised	Estimated
Total Employees Related Expenses	4.915	4.030	5.858
Total Pay	2.149	2.340	3.211
Total Pay of Officer	0.920	0.264	1.092
Total Pay of Other Staff	1.229	2.076	2.119
Total Allowances	2.765	1.690	2.646
Total Regular Allowances	2.646	1.660	2.586
Total Other Allowances (Excluding TA)	0.119	0.03	0.06
Total Operating Expenses	0.382	0.283	0.358
Total Communication	0.035	0.015	0.035
Total Utilities	0.052	0.007	0.012
Total Travel & Transportation	0.206	0.226	0.242
Total General	0.089	0.035	0.0695
Total Grants Subsidies & Write of	0.001	0	0.001
Total Grants-Domestic (Fin. Assis. to the families of G.Serv.who expire)	0.001	0	0.001
Total Physical Assets	0.042	0.01	0.065
Total Computer Equipment	0.012	0.01	0.025
Total Purchase Furniture & Fixture	0.03	0	0.04
Total Repair & Maintenance	0.017	0.005	0.019
Total Transport	0.006	0	0.006
Total Machinery & Equipment	0.006	0.005	0.0055
Total Furniture & Fixture	0.005	0	0.0055
Total	5.357	4.328	6.302

Table 20: Development Expenditure: Office of the Tehsil/Town Officer Infrastructure

Budget Head	Budget Estimates 2011-2012	Revised Budget 2011-2012	Budget Estimates 2012-13
Civil Work			
Drainage/pavement of street & drain Local ADP	2.58	0	0
30% ADP ongoing schemes	0	0	0.81
30% ADP PFC for the year 2012-13+Saving 2010-11	4.44	6.03	7.86
Other Works-Urban/CCB Local Fund	0.86	0	0
Total	7.88	6.03	8.67
Repair & Maintenance of Schemes			
Repair of Drainage/Repair & Maintenance	0.8	0	0.004
Repair of Others/30% Citizen Community Boards	3.622	0	0
Repair of National Highways	0	0	0
Repair of other bridges/Repair & Rehabilitation of W/S Chamber & Purchase Motor Pump	1.6	0.62	1
Total	6.02	0.62	1.00
Grand Total	13.90	6.65	9.67



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